

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION

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May 4, 2004

FROM: Cory Nelsen, Director
Department of Child Support Services

Cathy Cimbalo, Director
Department of Children's Services

SUBJECT: CONTRACT WITH AMERICAN EAGLE ATTORNEY SERVICE, INC. FOR
SERVICE OF PROCESS

RECOMMENDATION: Approve Contract with American Eagle Attorney Service, Inc. in the amount of \$4,725,000 to provide Service of Process for the period beginning May 4, 2004 and ending April 30, 2007.

BACKGROUND INFORMATION: States are required under Title IV-D of the Federal Social Security Act to establish and operate a Child Support Enforcement Program (CSEP). The Department of Child Support Services (DCSS) has the responsibility of operating the CSEP for San Bernardino County. Some of the services provided through the CSEP are establishing paternity; securing, modifying, and enforcing child support orders; locating absent parents; and collecting and distributing support payments for the children of San Bernardino County.

DCSS has a caseload that includes approximately 160,000 cases in which the formal notice to parents of proposed court action is critical to the establishment and enforcement of a child support order. Since 1999, DCSS has contracted with both local and national vendors to perform service of process to commence court proceedings in a timely manner consistent with the Code of Federal Regulations and the California Family Law Code. The current contracts expire in April 2004, and in order to comply with the County's purchasing guidelines, a new procurement was conducted for these services.

In addition to needs identified by DCSS, the Department of Children's Services (DCS) also has the need to utilize service of process. DCS currently has approximately 5,200 children in out of home placement. In accordance with Welfare and Institutions Code 726.4, DCS is obligated to serve custodial and noncustodial parents of these dependents with notice of proposed actions by the Juvenile Court.

On January 13, 2004 the County Board of Supervisors approved and authorized the release of a Request for Proposal (RFP) to solicit proposals from qualified agencies to provide Service of Process. The RFP was posted on the County's Internet site, advertised in local newspapers and sent through direct mailing. A total of four agencies submitted proposals in response to the RFP.

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Agency	Proposed Fees		
	SB County	Other Counties	Outside CA/Int'l
ABC Legal Services dba Process Forwarding International	SB County \$40.00	Other Counties \$40.00 - \$55.00	Outside CA/Int'l \$69.00 - \$250.00
American Eagle Attorney Services, Inc.	SB County \$22.00 - \$35.00	Other Counties \$25.00 - \$45.00	Outside CA/Int'l \$65.00 - \$85.00
CLUE/American Process Server	SB County \$29.00 - \$59.00	Other Counties \$37.00 - \$43.00	Outside CA/Int'l \$67.00 - \$250.00
Electronic Document Processing dba EDP Legal Services	SB County \$24.00 - \$55.00	Other Counties \$33.00 - \$49.00	Outside CA/Int'l \$65.00

An evaluation of the proposals was completed by an evaluation team that included representatives from HSS Auditing, Department of Child Support Services, Department of Children's Services and the Department of Public Health. The proposals were evaluated on: cost/competitive pricing, bonding and licensing, experience, volume capacity, turnaround time, and ability to serve the geographic needs of the County. Based on the evaluation results, American Eagle Attorney Services, Inc. was recommended for award of the Contract. It was determined that they were the lowest bid and best met the overall needs of the County.

One of the agencies not recommended for funding, EDP Legal Services, submitted a protest on April 13, 2004. As stated in Section XIII, Paragraph D of the RFP, Proposers may protest the recommended award, provided the protest is in writing, is delivered to the HSS Contracts Unit, and is submitted within ten (10) calendar days of the date on the notification of intent to award. Grounds for a protest is that the County failed to follow the selection procedures and adhere to requirements specified in the RFP or any addenda or amendments; there has been a violation of conflict of interest as provided by California Government Code Section 87100 et seq.; or violation of State or Federal law. A protest panel was convened to review the protest which included representatives from the Department of Children's Services, Department of Behavioral Health and Children's Network. The protest review panel determined that the appeal was without merit according to the criteria and recommends that the contract be awarded as determined by the RFP process. A letter was sent to EDP Legal Services, dated April 22, 2004, notifying them of the panel's findings.

Approval of this contract will enable DCSS and DCS to conduct approximately 39,600 serves of process annually. The contract will be for the period beginning May 4, 2004 through April 30, 2007, and may be extended for two additional one-year periods at the discretion of the County based upon the availability of funds, Contractor performance, and Board of Supervisors approval. The total dollar amount to be spent is not anticipated to exceed \$4,725,000.

REVIEW AND APPROVAL BY OTHERS: This item was reviewed by County Counsel (Jacqueline Carey-Wilson, Deputy County Counsel, (909) 387-4334) on April 26, 2004 and HSS Contracts (Lori Ciabattini, Administrative Supervisor, (909) 388-0253) on April 19, 2004. This item has also been reviewed by HSS Finance (Kris Letterman, Administrative Manager, (909) 388-0330) on April 14, 2004 and by the County Administrative Office (Gary Morris, Administrative Analyst, (909) 388-0356) on April 15, 2004.

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FINANCIAL IMPACT: The total cost for these services for the period of May 4, 2004 through April 30, 2007 is not anticipated to exceed \$4,725,000 and will be distributed as follows:

Department	FY 03/04	FY 04/05	FY 05/06	FY 06/07	Total
DCS	\$12,000	\$71,000	\$71,000	\$71,000	\$225,000
DCSS	\$300,000	\$1,000,000	\$1,600,000	\$1,600,000	\$4,500,000

The DCS funding is comprised of 85% (\$191,250) Federal and State funds and 15% (\$33,750) Local Share, of which approximately 48% (\$16,200) is realignment funds and 52% (\$17,550) is local cost. The Child Support Program is a federal program administered by the State Department of Child Support Services. The program receives 66% in Federal Financial Participation (FFP) and 34% funding from the State. Funds are included in both the DCS and DCSS Fiscal Year 03/04 budgets and will be included in future year budgets.

Cost Reduction Review: The County Administrative Office has reviewed this agenda item and concurs with the department's proposal and recommends this action because the proposed services are mandated by State and Federal regulations.

SUPERVISORIAL DISTRICT (S): All

PRESENTER: Cory Nelsen, Director, Department of Child Support Services (909) 478-7474
Cathy Cimbalo, Director, Department of Children's Services (909) 388-0242